

MEMORANDUM

Recreation Services



To: Honorable Mayor and City Council
Through: Charles Lawson, Interim City Manager
From: Bonnie Greiner, Recreation Services Manager
By: Kahtleen Yurchak, Recreation Services Supervisor
Subject: Proposed Changes to Recreation Services' Refund Policy
Date: October 3, 2005

Background:

Milpitas Recreation Services has been utilizing the current Refund Policy for over 10 years. Staff has been monitoring the number of refunds issued since 2004 and is recommending that the Refund Policy be updated to reflect the overhead costs of processing the refunds and to stay comparable to our surrounding cities refund policies. Staff anticipates customers will make wiser decisions when registering for classes, thus reducing the amount of refunds issued each year.

In 2004 \$62,931.85 was issued in refunds, retaining \$5,380 in service charges. To date in 2005 \$65,294.17 has been issued in refunds, retaining \$4,610 in service charges. Should the service charge increase from \$5 to \$10, we will double the amount in retained service charge fees per refund processed.

The following information is the proposed update to the Refund Policy and new information for Rainbow Theatre tickets and the Preschool Program Refund Policy. The information underlined reflects the proposed changes and the striked out information will be removed.

Proposed Recreation Services Refund Policy

In order to receive a refund check in the mail, you must notify the office 10 calendar days prior to the first class. A ~~\$5~~\$10 service charge is withheld from each class you are requesting a refunding from.

Refund/Transfer amounts up to \$10 will be issued as a credit on your Recreation Services' Account to be used for future classes or programs. Refunds for amounts of \$10.01 and more will be issued as a refund check. You will receive your refund check in the mail in 10-15 working days.

For cancellations with less than 10 days prior to the start of the program, you will be issued a credit on your Recreation Services' Account to be used for future classes or programs, minus a ~~\$105~~ processing fee for each class cancellation. If the class has started, you may cancel prior to the ~~third~~ second class meeting and receive a prorated credit on your account minus a ~~\$105~~ processing fee. Medical emergencies are exempt from the policy; however a signed statement from your doctor is required prior to the last class to be eligible for a refund and will be prorated for classes that were attended.

It is proposed that Rainbow Theatre tickets be non-refundable. The information will be listed in the Activity Guide and in other Rainbow Theatre promotional information and on the tickets themselves.

Proposed Recreation Services Preschool Program Refund Policy

In order to receive a refund check in the mail, you must notify the office 10 calendar days prior to the first class. A \$10 service charge is withheld from each class you are requesting a refund from.

The Preschool Coordinator has the discretion to transfer children between classes. Transfers are allowed only through the written approval of the Preschool Coordinator, between the 1st class through the 2nd week of class. No refunds or transfers will be granted after the 2nd week of class. Persons enrolled on the Waiting List will be informed of openings as soon as they occur and fees will be based on the number of classes attended.

Should the changes be approved, the new Recreation Services Refund Policy and Rainbow Theatre Policy will become effective January 12, 2006, in the Spring Activity Guide. The Preschool Refund Policy will become effective March 25, 2006, in the Summer Activity Guide.

Recommendation:

Approve the proposed changes to Recreation Services Refund Policy, implement non-refundable Rainbow Theatre tickets and the new Preschool Program Refund Policy.